

cc: Leslie
Task: 4278

Form MR-REV-att (DOGM - Revise/Amend Change Form)
(Revised September 14, 2005)

Application for Mineral Mine Plan Revision or Amendment

Operator: <u>US OIL SANDS (UTAH) INC. / EARTH ENERGY RESOURCES, INC.</u>			
Mine Name: <u>PR SPRING MINE</u>		File Number: <u>M/047 /0090</u>	
Provide a detailed listing of all changes to the mining and reclamation plan that will be required as a result of this change. Individually list all maps and drawings that are to be added, replaced, or removed from the plan. Include changes of the table of contents, section of the plan, pages, or other information as needed to specifically locate, identify and revise or amend the existing Mining and Reclamation Plan. Include page, section and drawing numbers as part of the description.			
DETAILED SCHEDULE OF CHANGES TO THE MINING AND RECLAMATION PLAN			
			DESCRIPTION OF MAP, TEXT, OR MATERIALS TO BE CHANGED
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	<u>CHANGE NAME/ADDRESS ON TITLE PAGE</u>
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	<u>CHANGE COMPANY NAME ON PAGE 1</u>
<input type="checkbox"/> ADD	<input checked="" type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	<u>CHANGE COMPANY NAME/ADDRESS ON PAGE 6.</u>
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
<input type="checkbox"/> ADD	<input type="checkbox"/> REPLACE	<input type="checkbox"/> REMOVE	
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I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

BARCLAY CUTHBERT
Print Name

Barclay Cuthbert VICE PRESIDENT
Sign Name, Position

27 JULY 2011
Date

Return to:

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Phone: (801) 538-5291 Fax: (801) 359-3940

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Instructions - Amend or Revise Mining Plan

FOR DOGM USE ONLY:	
File #:	<u>M/</u> / <u></u>
Approved:	<u></u>
Bond Adjustment: from (\$)	<u></u>
to \$	<u></u>

RECEIVED

AUG 02 2011

DIV. OF OIL, GAS & MINING

**Notice of Intention
To Commence Large Mining Operations**

**US Oil Sands (Utah) Inc.
PR Spring Mine
M0470090**



U.S. OIL SANDS

May 2009

Submitted by:

US Oil Sands (Utah) Inc.
Suite #950 633 – 6th Avenue SW
Calgary, Alberta T2P 2Y5

to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Prepared in part by:

JBR Environmental Consultants, Inc.
8160 S. Highland Drive
Sandy, Utah 84093
(801) 943-4144

Introduction

US Oil Sands (Utah) Inc. (Earth Energy) is a publicly held Canadian firm engaged in the development of process technology for extraction of bitumen from naturally occurring tar sand deposits in the United States and Canada. Earth Energy holds State Institutional Trust Lands Administration (SITLA) oil sands leases on 5,930 acres in Utah's Uinta Basin, near PR Spring. The PR Spring deposits are the largest of the Uinta Basin special Tar Sand Areas defined by the U.S. Geological Survey. Within the SITLA lease areas, Earth Energy has defined a 2,255-acre Study Area for the PR Spring Mine. The initial mine development under this NOI will take place in the southeastern part of this Study Area on approximately 213 acres (referred to throughout this NOI as the Affected Area) (See **Figures 1 and 2**). The Affected Area is equivalent to the area that will be disturbed and the area that will be bonded for and reclaimed. The remaining 2,042 acres within the Study Area were the subject of environmental data collection efforts, but will not be subject to disturbance under this NOI. Should additional mine development be planned in the future, beyond that described herein as occurring on the 213-acre Affected Area, permit amendments or revisions would be required. These amendments or revisions would address any expansion that would occur, including details on any needed re-handling of materials, alterations to the processing plant, etc. Conditional Use Permits (CUP) for the mine from Uintah and Grand Counties are included in Appendix B.

Earth Energy has patented a chemical method for extraction of hydrocarbons from oil sands. Known as the Ophus Process, this production method produces clean (inert), "damp-dry" sand tailings that can be backfilled into the quarry. The planned sequence of exploration and pilot processing and production tests underway are intended to refine and adapt the process to fit the unique characteristics of the Utah PR Spring deposits. Oil (tar) sands in Utah vary significantly from the oil sand deposits and extraction methods commonly used in the Athabasca oil sands of Alberta.

Earth Energy conducted exploration drilling in spring of 2005 under Exploration Permit (E/019/052), Earth Energy PR Spring 1 Project (less than ½-acre disturbance). Additional drilling was conducted under Exploration Permit (E/019/053) within a 100-acre area along Seep Ridge Road. These programs included twenty-five 4-inch diameter holes drilled to depth of 50 to 150 feet on 30-foot by 30-foot drill pads located on drill roads or adjacent to the main Seep Ridge Road. The drilling programs were used to select the 5-acre mine site for the fall 2005 production test conducted under a Small Mine Permit, Leonard Murphy #1 (S/019/059).

Other geophysical activities have been ongoing in a small portion of Earth Energy's lease area. These existing rights and activities ongoing in the area are described below in Section 104.2.

R647-4-104. Operator(s), Surface and Mineral Owner(s)
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104.1. Operator Responsible for Mining Operations/Reclamation of the Site

MINE NAME: PR Spring

NAME OF PERMITTEE/ OPERATOR/ APPLICANT: US Oil Sands (Utah) Inc., a Corporation registered to do business in the State of Utah.

Business License #: 5834125-0142
Registered Agent: Daniel A. Jensen
Address: 185 South State Street, Suite 800
Salt Lake City, UT 84111
Phone: 801-532-7840 Fax: 801-532-7750
E-mail address: djensen@parrbrown.com

PERMANENT ADDRESS: US Oil Sands (Utah) Inc.
Suite #950, 633 – 6 Avenue SW
Calgary, Alberta T2P 2Y5
Phone: 403-233-9366 Fax: 403-290-0045

COMPANY REPRESENTATIVE: Barclay Cuthbert, Vice President, Operations
Address: Suite #950, 633 – 6 Avenue SW
Calgary, Alberta T2P 2Y5
Phone: 403-233-9366 Fax: 403-290-0045
E-mail address: barclay.cuthbert@usoilsandsinc.com

LOCATION OF OPERATION: Uintah and Grand Counties, Utah (the CUP's are attached in Appendix B)

Universal Transverse Mercator (UTM) Coordinate System: UTM Datum
NAD27 4369592 km Northing, 645187 km Easting, Zone 12

Sections: T. 15 S., R. 23 E., SLB&M, Uintah County, Sections 35 & 36.
T. 15.5 S., R. 24 E., SLB&M, Grand County, Sections 31 & 32.

The Uintah County portion of the operations will be on lands under Indian Jurisdiction (tribal land but not part of an Indian Reservation). As such, certain aspects of environmental permitting for the PR Spring Operation will be handled by the Environmental Protection Agency (EPA) rather than Utah's Department of Environmental Quality.